

Horticultural Service Businesses: Dollar Volumes and State Rankings

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ABSTRACT

Horticultural services such as landscape planning and counseling, lawn and garden services, and shrub and tree services are a fast-growing segment of agriculture. Gross receipts for horticultural services by 14,000 firms were \$545 million in 1969. Fifty-two percent of this business was concentrated in Pennsylvania, New York, California, Ohio, and Florida. The total value of services and the particular types of services offered varied widely by State.

Keywords: Ornamentals, market structure, horticultural services.

HORTICULTURAL SERVICE BUSINESSES: DOLLAR VOLUMES AND STATE RANKINGS

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Gross receipts of firms providing horticultural services have become substantial. According to the most recent data released in the Census of Agriculture, the value of horticultural services performed by 14,000 firms was \$545 million in 1969 (table 1). Gross receipts from horticultural services were second to animal husbandry services in 1969, but the payroll of horticultural service firms was higher, \$214 million compared with \$187 million.

Table 1--Agricultural services: Establishments, receipts, and payroll, 1969

Services	: Establish- : ments	: Gross : receipts	: Annual payroll : for services
	: <u>Number</u>	: ----- <u>Dollars</u> -----	
Animal husbandry	12,940	1,032,377,713	186,590,388
Horticultural services	13,829	545,215,647	213,832,316
Other agricultural services	5,689	515,245,406	192,107,661
Hunting, trapping, and game: propagation	107	1,240,870	211,139
Total	32,565	2,094,079,636	592,741,504

Horticultural services are performed in the planning, planting, and care of ornamentals. Ornamentals include cut flowers, potted and bedding plants, flowering plants, foliage plants, shrubs and trees, and the bulbs and seeds which produce ornamentals. The farm value of sales of such crops in 1969 was \$814 million (table 2).

Over half of the wholesale value of ornamentals is from cut flowers, florist greens, potted and bedding plants, and other crops normally sold through retail florists. Nursery products are the next largest segment of the industry. Sales of nursery products in the last decade increased from \$156 to \$280 million. Commercial production of sod, a new segment of the ornamentals business, has become important in recent years. Sod was valued at \$48 million in the 1969 Census of Agriculture.

Table 2--Ornamentals: Type of product and value of sales, 1959 and 1969

Type of product	1959 sales	1969 sales
	----- <u>Dollars</u> -----	
Cut flowers, florist greens, potted, bedding, and other plants	292,302,771	428,961,017
Nursery products	155,505,957	280,410,608
Sod	<u>1/</u>	48,249,121
Flower seeds, vegetable seeds, and plants	22,138,467	45,085,020
Bulbs	9,963,663	10,920,027
Total	<u>1/</u>	813,625,793

1/ Sod was not included as a separate category in 1959.

Source: 1969 Census of Agriculture.

The proper planning, planting, and care of ornamentals requires skills. Not everyone has the time or the desire to provide the services necessary for raising ornamentals. A specialized industry has developed to fill this need. As the value of ornamentals production expanded, so did the service industry.

Horticultural services are defined by the Census as follows:

1. Landscape planning and counseling (07311). 1/ These include professional services such as garden and landscape planning, horticultural advisory or counseling services, and landscape architecture. They do not include services exclusively involved in the physical performance of work on lawns, gardens, trees, shrubs, etc., which are covered by activities 2, 3, and 4, below. Landscape architects primarily engaged in city planning are classified in SIC 2/ Major Group 73-Miscellaneous Business Services.

2. Lawn and garden services (07312). Such services include general lawn and garden maintenance, Bermuda sprigging service, and planting, mowing, spraying, and fertilizing of lawns and gardens. Landscape contractors primarily engaged in grading and excavating activities are covered by the census of construction for SIC Major Group 16. The growing of plants is frequently combined with a lawn and garden service operation. Operations that are primarily growing plants for sale, such as greenhouses,

1/ Standard Industrial Classification code number.

2/ Standard Industrial Classification.

are covered by the census of agriculture for SIC Major Group 01. Those primarily buying and selling plants, such as garden centers, are covered by the census of business.

3. Shrub and tree services (07313). Such services include arborist services, planting, spraying, pruning, bracing, trimming, and surgery of shrubs and trees, and tree trimming for public utility lines. These services are often combined with nursery operations. If such an operation is primarily engaged in growing shrubs and trees for sale, it is covered by the census of agriculture for SIC Major Group 01. Establishments primarily engaged in buying and selling trees and shrubs with no growing are covered by the census of business.

4. Other horticultural services (07399). Such services include the following: Cemetery maintenance; golf course maintenance; and mowing highway center strips and edges. Horticultural or landscaping services not classified elsewhere are also included in this category. Cemetery associations and cemetery management services are classified in SIC Major Group 65-Real Estate.

Three specific categories of horticultural services are discussed below: Shrub and tree services, lawn and garden services, and landscape planning and counseling (table 3). Shrub and tree services provided gross receipts of almost a quarter of a billion dollars to 6,372 reporting units of firms. Lawn and garden services were provided by 10,352 units with total gross receipts of \$223 million. Some 2,679 units reported landscape planning and counseling receipts of \$66.5 million.

Table 3--Horticultural services: Reporting units and gross receipts, 1969

Services	Reporting units	Gross receipts
	<u>Number</u>	<u>Dollars</u>
Shrub and tree services	6,372	248,344,228
Lawn and garden services	10,352	222,647,110
Landscape planning and counseling	2,679	66,471,389
Other services	235	7,578,092
Total	<u>1/13,829</u>	<u>2/545,040,819</u>

1/ The total is less than the individual sum of reporting units since firms may be engaged in more than one type of service. 2/ Total as published by Census includes other miscellaneous receipts. Not total of itemized services.

The value of total horticultural services is understated because only firms whose major business is service are included. Firms such as nurseries and garden centers which perform similar services are not included because they are

classified as producers or retailers by SIC code. If the value of services supplied by these firms and by unpaid individuals is added, horticultural services would have comprised an estimated billion dollars in 1969.

Firms in five States--Pennsylvania, New York, California, Ohio, and Florida--dominated the horticultural service industry in 1969, accounting for 52 percent of U.S. receipts for specified horticultural services (table 4). Three of these States--Pennsylvania, Ohio, and Florida--accounted for 12 percent of the total U.S. wholesale sales of all products and had 14 percent of the U.S. population. Firms in these States received almost one-third of the reported gross receipts for horticultural services (table 5). Another indication of the concentration of services is that firms in one-fourth of all States accounted for four-fifths of all reported receipts for horticultural services (fig. 1).

Table 4--Selected horticultural services: Gross receipts and percent of U.S. total, by selected States, 1969

States	Selected horticultural services ^{1/}	
	Gross	Percent of
	receipts	U.S. total
	<u>Dollars</u>	<u>Percent</u>
Pennsylvania	90,953,178	17
New York	54,098,687	10
California	52,198,178	10
Ohio	51,008,891	9
Florida	31,180,820	6
Subtotal, 5 States	279,439,754	52
All other States	258,022,973	48
Total	537,462,727	100

^{1/} Lawn, garden, tree, shrub, and landscaping services.

Not only did the value of total services vary widely by State, but the particular services provided varied significantly by State. Different types of horticultural services were of different relative importance in the various States and divisions (tables 6 and 7).

The largest category of horticultural services in 1969 was shrub and tree service. Pennsylvania firms received 29 percent of total gross receipts (table 8). Pennsylvania and Ohio firms together received 41 percent. Shrub and tree service in four States--Pennsylvania, Ohio, New York, and California--was 54 percent of the U.S. total.

Lawn and garden service was the second largest category of horticultural services in 1969 (table 9). California had the greatest number of units reporting this service, 2,203, and the largest gross receipts--\$29 million, or

Table 5--Selected horticultural services, wholesale business, and population, percent of U.S. total by selected States

States	Selected horticultural services <u>1/</u>	All wholesale sales <u>2/</u>	Population <u>3/</u>
	Percent		
Pennsylvania	17	5	6
Ohio	9	5	5
Florida	6	2	3
Subtotal, 3 States	32	12	14
All other States	68	88	86
Total	100	100	100

1/ Landscape planning and counseling, lawn and garden care, and shrub and tree services, Census of Agriculture, 1969.
2/ Census of Business, 1967.
3/ As of April 1, 1970, Census of Population.

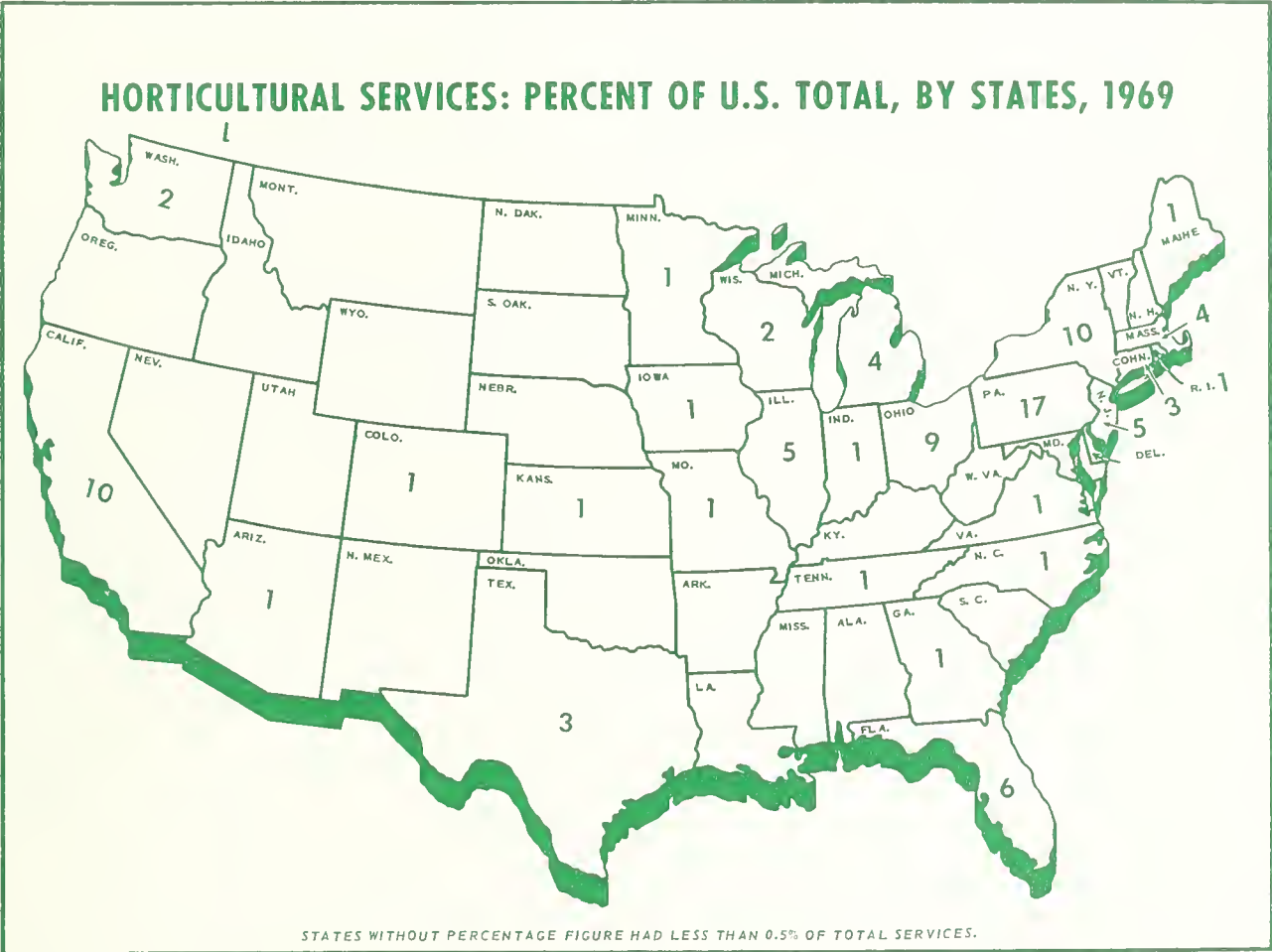


Figure 1

Table 6--Selected horticultural services: Gross receipts by geographic divisions, 1969

Geographic division 1/	Landscape planning and counseling	Lawn and garden services	Shrub and tree services	Total gross receipts	Percent of U.S. total 2/
		1,000 dollars			Percent
United States	66,471	222,647	248,344	537,462	100
1 Middle Atlantic	16,152	58,713	98,536	173,411	33
2 East North Central	11,483	46,335	56,297	114,115	21
3 Pacific	3/12,751	3/37,691	3/18,482	3/68,924	13
4 South Atlantic	11,001	34,224	20,352	65,577	12
5 New England	3,933	19,709	21,208	44,850	8
6 West South Central	3,847	8,972	10,507	23,326	4
7 West North Central	1,463	8,129	13,082	22,674	4
8 Mountain	3/3,331	3/5,258	3/5,289	3/13,878	3
9 East South Central	2,499	3,616	4,592	10,707	2

1/ Divisions: (1) Pa., N.Y., N.J.; (2) Wis., Ill., Ind., Ohio, Mich.; (3) Calif., Oreg., Wash.; (4) Del., Md., D.C., Va., W. Va., N.C., S.C., Ga., Fla.; (5) Maine, N.H., Vt., Mass., R.I., Conn.; (6) Tex., Okla., La., Ark.; (7) Mo., Kans., Nebr., Iowa, Minn., N. Dak., S. Dak.; (8) Mont., Idaho, Wyo., Utah, Colo., Nev., Ariz., N. Mex.; and (9) Ky., Tenn., Ala., Miss.

2/ Rounded to add to 100%.

3/ Estimated or extrapolated.

Source: U.S. Bureau of the Census, Census of Agriculture, 1969.

Table 7--Selected horticultural services: Gross receipts by States, 1969

State	Landscape planning and counseling	Lawn and garden services	Shrub and tree services	Total gross receipts	Percent of U.S. total 1/
United States	66,471	222,647	248,344	537,462	100
1 Pennsylvania	5,227	14,674	71,053	90,954	17
2 New York	8,283	27,169	18,646	54,098	10
3 California	10,236	28,829	13,133	52,198	10
4 Ohio	4,880	15,722	30,407	51,009	9
5 Florida	6,191	18,474	6,516	31,181	6
6 New Jersey	2,652	16,870	8,837	28,359	5
7 Illinois	2,893	13,648	9,816	26,357	5
8 Michigan	2,071	10,029	9,827	21,927	4
9 Massachusetts	1,592	9,722	8,434	19,748	4
10 Texas	2,965	6,458	7,813	17,236	3
11 Connecticut	2,118	6,836	7,388	16,342	3
12 Maryland	1,312	5,202	5,153	11,667	2
13 Washington	1,412	5,145	3,644	10,201	2
14 Wisconsin	738	4,116	3,660	8,514	2
15 Missouri	696	3,177	4,138	8,011	1
16 Indiana	901	2,820	2,587	6,308	1
17 Virginia	706	3,427	2,010	6,143	1
18 Iowa	112	732	4,862	5,706	1
19 North Carolina	1,090	2,429	1,922	5,441	1
20 Georgia	990	2,446	1,906	5,342	1
21 Tennessee	1,125	1,625	2,503	5,253	1
22 Oregon	401	3,235	1,512	5,148	1
23 Colorado	993	1,226	2,664	4,883	1
24 Arizona	1,311	2,176	1,065	4,552	1
25 Minnesota	308	1,758	1,734	3,800	1

Continued

Table 7--Selected horticultural services: Gross receipts by States, 1969--Continued

State	Landscape planning and counseling	Lawn and garden services	Shrub and tree services	Total gross receipts	Percent of U.S. total 1/
		1,000 dollars			
26 Rhode Island	101	1,753	1,240	3,094	1
27 Kansas	266	1,153	1,548	2,967	1
28 Maine	39	412	2,382	2,833	1
29 South Carolina	460	825	1,210	2,495	--
30 Louisiana	449	1,361	679	2,489	--
31 Alabama	192	1,056	1,007	2,255	--
32 Oklahoma	237	385	1,601	2,223	--
33 Kentucky	656	500	790	1,946	--
34 New Hampshire	42	745	1,015	1,802	--
35 Delaware	142	542	1,047	1,731	--
36 Nebraska	58	1,027	607	1,692	--
37 Utah	429	680	517	1,626	--
38 Arkansas	196	768	414	1,378	--
39 Hawaii and Alaska 2/	702	482	193	1,377	--
40 Mississippi	526	435	292	1,253	--
41 Vermont	41	241	749	1,031	--
42 District of Columbia 3/	52	514	269	835	--
43 Idaho	39	178	557	774	--
44 West Virginia	58	365	319	742	--
45 Montana	365	202	90	657	--
46 New Mexico	79	232	258	569	--
47 Nevada	112	382	74	568	--
48 South Dakota	6	223	94	340	--
49 Wyoming	3	182	64	249	--
50 North Dakota	17	59	99	158	--

-- = Less than 0.5% of total.

1/ Rounded to add to 100%.

2/ Hawaii and Alaska combined.

3/ District of Columbia is not a State, but it is listed separately.

Table 8--Shrub and tree services: Reporting units and gross receipts by selected States and U.S. total, 1969

State	Reporting units	Percent of total	Gross receipts	Percent of total
	<u>Number</u>	<u>Percent</u>	<u>Dollars</u>	<u>Percent</u>
Pennsylvania	511	8	71,052,740	29
Ohio	391	7	30,406,524	12
New York	539	9	18,646,097	8
California	634	10	13,132,855	5
Subtotal, 4 States	2,075	34	133,238,216	54
All other States	4,297	66	115,106,012	46
Total	6,372	100	248,344,228	100

Table 9--Lawn and garden services: Reporting units and gross receipts by selected States and U.S. total, 1969

State	Reporting units	Percent of total	Gross receipts	Percent of total
	<u>Number</u>	<u>Percent</u>	<u>Dollars</u>	<u>Percent</u>
California	2,203	21	28,829,087	13
New York	1,065	10	27,169,215	12
Florida	883	9	18,473,813	8
New Jersey	611	6	16,869,703	8
Ohio	476	5	15,722,231	7
Pennsylvania	625	6	14,673,704	7
Subtotal, 6 States	5,863	57	121,737,753	55
All other States	4,489	43	100,909,357	45
Total	10,352	100	222,647,110	100



13 percent of the U.S. total. Gross receipts and reporting units in New York were second to California. Although New York had less than half the number of reporting units as in California, its gross receipts were 12 percent of the total. Receipts in six States--California, New York, Florida, New Jersey, Ohio, and Pennsylvania--were 55 percent of U.S. sales.

For landscape planning and counseling, California led the nation in reporting units and gross receipts in 1969 (table 10). The gross receipts of California's 310 units were 15 percent of the U.S. total. Five States--California, New York, Florida, Pennsylvania, and Ohio--had gross receipts totaling 52 percent of the national business.

Table 10--Landscape planning and counseling: Reporting units and gross receipts by selected States and U.S. total, 1969

State	Reporting units	Percent of total	Gross receipts	Percent of total
	<u>Number</u>	<u>Percent</u>	<u>Dollars</u>	<u>Percent</u>
California	310	12	10,236,236	15
New York	236	9	8,283,375	12
Florida	173	6	6,190,906	9
Pennsylvania	193	7	5,226,734	8
Ohio	141	5	4,880,136	8
Subtotal, 5 States	1,053	39	34,817,387	52
All other States	1,626	61	31,654,002	48
Total	2,679	100	66,471,389	100